



# STATE OF IOWA

CHESTER J. CULVER, GOVERNOR  
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DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

## INFORMATION RELEASE NO. 731

July 16, 2008

**TO:** Iowa Medicaid ICF MR State, Mental Hospital, Community Based ICF/MR and Nursing Facility-Mental ILL Providers

**ISSUED BY:** Iowa Department of Human Services, Iowa Medicaid Enterprise

**SUBJECT:** Supplemental Payment for Medicaid Residents with Income Below the \$50 Personal Needs Allowance

The purpose of this informational release is to inform Medicaid-certified facilities of the implementation of a supplemental State payment for Medicaid residents with income below the \$50 personal needs allowance, to bring their income up to \$50. The supplemental payment does not apply to Medicaid-eligible individuals living in State Mental Health Institutes or Psychiatric Medical Institutions for Children.

Legislation passed in SF 2425 directed the department to adopt rules to allow residents of intermediate care facilities for the mentally retarded (ICF/MRs) and intermediate care facilities for the mentally ill (ICF/PMIs) who have income below the \$50 personal needs allowance to receive a supplemental state payment to bring their income up to the \$50 personal needs allowance amount, effective July 1, 2008. (Previously, HF 2319 directed the department to adopt rules to allow residents of nursing facilities, other than those licensed nursing facilities for persons with mental illness, participating in the medical assistance program to receive a supplemental state payment effective July 1, 2006.) The supplemental payment will be excluded from consideration as income in determining eligibility for the month it is received but will be considered a countable resource in following months, if it is retained.

The Department has completed system changes to allow for this payment. The issuance of this supplemental payment will not change client participation. Client participation for these individuals will remain at \$0.00 unless there are other changes in their income.

The resource limit remains at \$2,000 for a single person. If the supplemental payment is retained into the month following the month of receipt and puts the resident's total resources over \$2,000, it will cause the resident to be cancelled from Medicaid.

Should you have any questions, please contact the IME Provider Services Unit at (515) 725-1104 (local); (800) 338-7909, or [IMEProviderServices@dhs.state.ia.us](mailto:IMEProviderServices@dhs.state.ia.us). You may also contact the local DHS office income maintenance worker.